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Attorneys for Individual Butte Fire, North Bay Fires, And Camp Fire Victim Claimants

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re)	Case No. 19-30088 (DM)
PG&E CORPORATION and)	Chapter 11
PACIFIC GAS AND ELECTRIC)	(Lead Case)
COMPANY,)	(Jointly Administered)
Debtors.)	JOINDER OF INDIVIDUAL BUTTE FIRE, NORTH BAY FIRES, AND CAMP FIRE VICTIM CLAIMANTS IN THE OBJECTION BY THE OFFICIAL COMMITTEE OF TORT CLAIMANTS TO DEBTORS' DIP FINANCING MOTION (ECF NO. 23)
<input type="checkbox"/> Affects PG&E Corporation)	
<input type="checkbox"/> Affects Pacific Gas and Electric Company)	
<input checked="" type="checkbox"/> Affects both Debtors)	
*All papers shall be filed in the Lead Case, No. 19-30088 (DM))	Date: March 27, 2019 Time: 9:30 a.m. (Pacific Daylight Time) Place: United States Bankruptcy Court Courtroom 17, 16th Floor San Francisco, CA 94102

1 **I. INTRODUCTION**

2 Immediately after the 2010 San Bruno Gas Pipeline Explosion and Fire, PG&E distributed
3 VISA gift cards to the victims and then paid substantial sums of cash to victims with “no strings
4 attached” – \$50,000 to victims whose house was destroyed, \$25,000 to victims whose house was
5 damaged and in the immediate zone of danger, and \$10,000 to victims whose house was damaged and
6 outside the immediate zone of danger. These sums were in addition to the settlements PG&E
7 eventually reached with each of the San Bruno victims for the personal injuries and property damages
8 they suffered.

9 Much has changed.

10 PG&E entered into prepetition enforceable settlement agreements with 132 victims of the
11 Butte Fire in the aggregate amount of almost \$18,000,000.00 but failed to pay the agreed amounts.

12 Claims of 1,049 victims of the Butte Fire remain unresolved. Three and one-half years after
13 the fire, many still live in trailers or other temporary housing. Many have no insurance and most of
14 those who did have exhausted their policies.

15 At the same time Debtors were defaulting on their settlement agreements with victims of the
16 Butte Fire, they were paying departing CEO Geisha Williams \$2,500,000 as a part of her severance
17 package. PG&E now comes before this Court seeking authority to prioritize payments of hundreds
18 and hundreds of millions of dollars for various programs and projects, yet never once even
19 acknowledges the existence of those settlements with the forgotten Butte Fire victims let alone offers
20 a plan to pay them.

21 Much has changed indeed.

22 **II. JOINDER IN OBJECTION BY OFFICIAL COMMITTEE OF TORT CLAIMANTS**

23 Objectors herein are 141 survivors of the 2015 Butte Fire, 320 survivors of the 2017 North Bay
24 Fires, and 1,330 survivors of the 2018 Camp Fire, including the families of 17 people who died in
25 three of those fires. On January 31, 2019, Objectors filed an opposition to the DIP financing motion
26 (ECF No. 178), and hereby join in the objection to the DIP financing motion filed by the Official
27 Committee of Tort Claimants. (ECF No. 800.)

28 Objectors wish to inform the Court of two brief factual points:

- 1 • Available insurance for the 2015 Butte Fire appears to be underreported by
2 approximately \$10,000,000.00 in Debtors' 2018 Form 10-K. (See Declaration of Dario
3 de Ghetaldi in Support of Joinder ("Joinder Decl. of de Ghetaldi"), ¶¶ 5-7.)
4 • Unfunded prepetition settlement agreements between Debtors and approximately 130
5 survivors of the 2015 Butte Fire have a total value of approximately \$18,000,000.00.
6 (Joinder Decl. of de Ghetaldi, ¶ 8.)

7 Funding the outstanding Butte Fire settlements at this time will aid the work of the Official
8 Committee of Tort Claimants in representing the rights of all victims who have tort claims against
9 PG&E. PG&E will inevitably seek to devalue those claims and pay cents on the dollar through the
10 bankruptcy. Past settlements from the 2010 San Bruno Explosion and the 2015 Butte Fire are excellent
11 points of reference regarding what the fair value of the tort claims are. How much did PG&E pay in
12 the past for the loss of life? How much did PG&E pay in the past to a victim who was burned while
13 running for their life? How much did PG&E pay in the past to a person who must live with Post-
14 Traumatic Stress Disorder after surviving a mass disaster? How much did PG&E pay in the past to
15 someone who lost their home in a fire and has since had to live in a trailer on their burnt-out property?
16 Ordering PG&E to fund the outstanding Butte Fire settlements will help answer those questions by
17 increasing the number of settlement benchmarks.

18 **III. CONCLUSION**

19 As more fully set forth in their objection to the DIP financing motion (Doc. No. 178), the
20 victims of the 2015 Butte Fire whose settlements remain unpaid maintain that Debtors' first "primary
21 objective" of the Chapter 11 IS NOT "to establish a process for PG&E to fully address and resolve its
22 liabilities resulting from the 2017 and 2018 Northern California wildfires and to provide compensation
23 to those entitled to compensation from the Debtors fairly and expeditiously – indeed, more quickly
24 and more equitably than those liabilities could be addressed and resolved in the state court system."
25 (See Declaration of Jason P. Wells ISO First Day Motions ("Wells Decl."), Doc. No. 28, p. 4:10-16.)

26 The Debtors' hollow claim resounds with cruel irony when seen in the light of the unfunded
27 Butte Fire settlements and the bankruptcy filings the Debtors are using to allow them to avoid paying
28 those settlements.

1 DATED: March 11, 2019

Respectfully submitted,

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